



AUDIT AND GOVERNANCE COMMITTEE

Monday 10 September 2018

INTERNAL AUDIT CHARTER (AG 18/18)

	EXECUTIVE SUMMARY
1.	This report informs the Audit and Governance Committee of the refreshed Internal Audit Charter, which is reviewed regularly to take account of any practical or best practice changes. The Internal Audit Charter was last reviewed on 11 September 2017 by this Committee. The only minor change has been to update the wording for the Quality Assurance section as required by the Public Sector Internal Audit Standards 2016.
2.	This report is presented to the Audit and Governance Committee to enable it to fulfil its terms of reference <i>'To review and approve the Internal Audit Charter to ensure that it is appropriate to the current needs of the organisation'</i> .

Is the report Open or Exempt?	Open
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Wards Affected:	All
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Cabinet Member:	Councillor Stuart Lawson Cabinet Member with responsibility for Resources
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Supporting Officer:	Mrs Siobhan Martin Head of Internal Audit 01394 444254 siobhan.martin@eastssuffolk.gov.uk
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1 INTRODUCTION

- 1.1 The existing Internal Audit Charter has been refreshed to ensure it remains compliant with the Public Sector Internal Auditor Standards (PSIAS) 2016 and local requirements.
- 1.2 The Internal Audit Charter attached at Appendix 1 follows the headings and requirements of the PSIAS (2016).
- 1.3 The only change to the Charter has been to update the wording for the Quality Assurance at section 11.1, with reference to the relevant PSIAS Standard.

2 BACKGROUND

- 2.1 Previously, the Internal Audit Charter was compliant with the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Institute of Internal Auditors (IIA) recommended requirements. Since April 2013 all United Kingdom public sector bodies are required to be compliant with the PSIAS. These new standards aim to combine multi agency (including CIPFA and IIA) guidance (including International standards) into one coherent document.

3. HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 3.1 The Internal Audit Charter facilitates the good governance arrangements and practices which underpin the Councils strategic and operational workings including the East Suffolk Business Plan.

4. FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 No direct financial implications have been identified.
- 4.2 The governance implications relate to the statutory necessity to maintain an adequate and effective Internal Audit Service. In order to achieve effectiveness the Service must be compliant with the latest best practice. Refreshing the Internal Audit Charter enables adherence to best practice.

5. OTHER KEY ISSUES

- 5.1 This Audit Charter is identical to the Audit Charter which will be presented to the at the Councils partner Waveney District Council on 20 September 2018 (Audit and Governance Committee). The only anticipated change to this document on the creation of a new Council in April 2019 will be to change the heading to East Suffolk District Council. There are no known implications in relation to this report over Equality Impact Assessment, Sustainability Impact Assessment or Partnership Impact Assessment.

6. CONSULTATION

- 6.1 There is no requirement upon the Council in this instance. The Chief Executive, Section 151 Officer and External Auditor (Ernst & Young) have been apprised of the refreshed Internal Audit Charter.

7. OTHER OPTIONS CONSIDERED

- 7.1 There are no other options to be considered in the context of this report. Legal and risk implications are inherently captured in the executive summary.

8. REASON FOR RECOMMENDATION

- 8.1 By reviewing and noting the refreshed Internal Audit Charter which is in accordance with best practice the Committee will fulfil its responsibility within its terms of reference *'To review and approve the Internal Audit Charter to ensure that it is appropriate to the current needs of the organisation'*.

RECOMMENDATION

That the refreshed Internal Audit Charter attached at Appendix A of the report be noted and commented upon.

APPENDICES

Appendix A	Internal Audit Charter – September 2018
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BACKGROUND PAPERS - Please note that copies of background papers have not been published on the Council's website but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
2016	Public Sector Internal Auditor Standards	Head of Internal Audit Siobhan.martin@eastsoffolk.gov.uk
Sept 2017	Internal Audit Charter	Head of Internal Audit Siobhan.martin@eastsoffolk.gov.uk